LEVERAGING SECONDARY BRAND ASSOCIATIONS TO BUILD EQUITY
Building Customer-Based Brand Equity

Choosing Brand Elements

<table>
<thead>
<tr>
<th>Brand Elements</th>
<th>Benefits</th>
</tr>
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<tbody>
<tr>
<td>Brand name</td>
<td>Memorability</td>
</tr>
<tr>
<td>Logo</td>
<td>Meaningfulness</td>
</tr>
<tr>
<td>Symbol</td>
<td>Appeal</td>
</tr>
<tr>
<td>Character</td>
<td>Transferability</td>
</tr>
<tr>
<td>Packaging</td>
<td>Adaptability</td>
</tr>
<tr>
<td>Slogan</td>
<td>Protectability</td>
</tr>
</tbody>
</table>

Developing Marketing Programs

Product → Tangible and intangible benefits
Price → Value perceptions
Distribution channels → Integrate "push" and "pull"
Communications → Mix and match options

Leverage of Secondary Associations

Company
Country of origin
Channel of distribution
Other brands
Endorser
Event

Brand Awareness

<table>
<thead>
<tr>
<th>Depth</th>
<th>Recall</th>
<th>Recognition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breadth</td>
<td>Purchase</td>
<td>Consumption</td>
</tr>
</tbody>
</table>

Brand Associations

<table>
<thead>
<tr>
<th>Strong</th>
<th>Relevance</th>
<th>Consistency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favorable</td>
<td>Desirable</td>
<td>Deliverable</td>
</tr>
<tr>
<td>Unique</td>
<td>Point-of-parity</td>
<td>Point-of-difference</td>
</tr>
</tbody>
</table>

Possible Outcomes

Greater loyalty
Less vulnerability to competitive marketing actions and crises
Larger margins
More inelastic response to price
Greater trade cooperation and support
Increased marketing communication efficiency and effectiveness
Possible licensing opportunities
More favorable brand extension evaluations
Creating secondary brand association for a company like Solomon

- Sub-branding
- Country of origin
- Sell in upscale shops
- Co-branding
- Use magazines to secure favorite ratings
Creating secondary brand association for a company like Solomon

• Creation of new brand association

• Effects on existing brand knowledge
  • What is true for the entity must be true for brands
    • Awareness and knowledge of the entity
    • Meaningfulness of the knowledge of the entity: Evokes positive associations
    • Transferability of the knowledge of the entity
Guideline for leveraging secondary brands

• Create/Reinforce POD and POP

• Commonality leverage
  • New Zealand wool; associating wool with New Zealand

• a.k.a Complementarity branding

• Congruence of knowledge
I'M NOT SAYING I'M BATMAN.

I'M JUST SAYING NO ONE HAS EVER SEEN BATMAN AND ME IN THE SAME ROOM TOGETHER.
Leveraging Secondary Brand Associations

Brand associations may themselves be linked to other entities, creating secondary associations:

- Company (through branding strategies)
- Country of origin (through identification of product origin)
- Channels of distribution (through channels strategy)
- Other brands (through co-branding)
- Special case of co-branding is ingredient branding
- Characters (through licensing)
- Celebrity spokesperson (through endorsement advertising)
- Events (through sponsorship)
- Other third-party sources (through awards and reviews)
Brand Associations through: COMPANY
Brand Associations through: COUNTRY OF ORIGIN
Brand Associations through: COUNTRY OF ORIGIN
Brand Associations through: CHANNELS OF DISTRIBUTION

Associations with:

• Product
• Price
• Credit Policy
• Quality of Service
• Results in associations of brands by retailers
Brand Associations through: CO-BRANDING

Occurs when two or more existing brands are combined into a joint product or are marketed together in some fashion

Guidelines to Co-branding:
• Both brand should have equal awareness
• Sufficiently strong
• Favorable
• Unique associations
• Positive consumer judgments and feelings
Brand Associations through: CO-BRANDING

Advantages of Co-Branding

• Borrow needed expertise
• Leverage equity you don’t have
• Reduce cost of product introduction
• Expand brand meaning into related categories
  • Broaden meaning
  • Increase access points
• Source of additional revenue
Brand Associations through: **CO-BRANDING**

**Disadvantages of Co-Branding**

- Loss of **control**
- Risk of brand **equity dilution**
- **Negative feedback** effects
- Lack of brand **focus and clarity**
- Organizational **distractions**
Brand Associations through: CO-BRANDING (INGREDIENT BRANDING)

A special case of co-branding that involves creating brand equity for materials, components, or parts that are necessarily contained within other branded products.
Brand Associations through: LICENSING

Involves contractual arrangements whereby firms can use the names, logos, characters, and so forth of other brands for some fixed fee

Guidelines for Licensing

• Don’t get caught up, one minute they are in next minute they are gone
• Multiple license agreements results in over exposure and wearing out quickly
• If your brand gets over exposed, either you will close or you will sell
Brand Associations through: CELEBRITY ENDORSEMENT

• Draws attention to the brand
• Shapes the perceptions of the brand
• Celebrity should have a high level of visibility and a rich set of useful associations, judgments, and feelings
• Q-Ratings to evaluate celebrities (a scale measuring the popularity of a person or thing typically based on dividing an assessment of familiarity by an assessment of favorable opinion)
Brand Associations through: **CELEBRITY ENDORSEMENT**

**Potential Problems**

- Celebrity endorsers can be overused by endorsing many products that are too varied.
- There must be a reasonable match between the celebrity and the product.
- Celebrity endorsers can get in trouble or lose popularity.
- Many consumers feel that celebrities are doing the endorsement for money and do not necessarily believe in the endorsed brand.
- Celebrities may distract attention from the brand.
Yes, He Cheated

Hotel hookups, dirty texts — Tiger’s mistress of 3 years tells all.

Plus, His panic after Elin found out.

He said, “We will always be together.”

Lindsay’s Baby Girl!

Heidi’s New Low

Caught kissing Alba’s husband.

Jake & Reese

Is There Trouble?
Brand Associations through: SPORTING, CULTURAL, OR OTHER EVENTS

GUIDELINES

• Use popular events with a loyal following to create links and associations.

• The equity of the event will be rubbed off on the brand that is sponsoring it.

• Just sponsoring will not mean a lot to the participants/customers, instead the brand needs to create an opportunity for the brand to interact with the participants and also create a brand experience.

• When budgeting for an event sponsorship allocate a separate budget to promote the event via ATL & BTL media and also for activations and give away's.
Brand Associations through: THIRD-PARTY SOURCES

• Marketers can create secondary associations in a number of different ways by linking the brand to various third-party sources.
• Third-party sources can be especially credible sources.
• Marketers often feature them in advertising campaigns and selling efforts.
  • Example: J.D. Power and Associates’ well-publicized Customer Satisfaction Index